



STATE OF TENNESSEE
DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT
DIVISION OF WORKFORCE SERVICES
220 French Landing Drive
Nashville, TN 37243-1002
(615) 741-1031

Dear Chief Local Elected Official,

On May 11, 2018, Tennessee's State Workforce Development Board (SWDB) staff completed an extensive analysis of the local workforce development areas (LWDA), federal and state resources, and labor market data. Upon completion of this analysis, it was determined that Tennessee must align its resources to allow for a more efficient and effective government and bring forth innovation and best practices that will help Tennessee lead the nation in jobs, education, and government efficiency. The SWDB needed increased flexibility to design and deliver workforce services that would allow SWDB to serve its constituents effectively through the Tennessee Workforce System. Therefore, Tennessee's SWDB submitted five (5) Workforce Innovation and Opportunity Act (WIOA) waivers from the Department of Labor for use at the state level to benefit workforce areas in supporting and aligning our Governor's Drive to 55 mission, "Equipping 55% of Tennesseans with a college degree or certificate by 2025."

It is with great pleasure that we inform you that three of the five waiver requests were approved.

Requested Waiver: Reducing the percentage of expenditures for out of school youth (OSY) from seventy-five percent (75%) to fifty percent (50%).

The State's request to waive the requirement that local areas expend seventy-five percent (75%) of local formula youth funds on OSY is approved. ETA approves the requested waivers for Program Years (PYs) 2018 and 2019 (July 1, 2018 through June 30, 2020). Tennessee may lower the target rate for expenditure of local youth funds to fifty percent (50%) on OSY.

Requested Waiver: Allow Tennessee to provide Individualized Training Accounts (ITAs) to at-risk in-school youth (ISY).

The State's request to waive the requirement limiting ITAs to only OSY ages 18-24 is approved. ETA approves this waiver for PYs 2018 and 2019 (July 1, 2018 through June 30, 2020).

Requested Waiver: Allow Tennessee to collect and report performance data for all WIOA funded participants.

The State's request to waive the obligation of Eligible Training Providers (ETPs) to collect and report performance data on all students in a training program is approved. ETA approves this waiver for PYs 2018 and 2019 (July 1, 2018 through June 30, 2020).

To summarize, effective immediately, LWDBs can elect to expend 50% of program funding on both ISY and OSY and issue ITAs to participants that classify as ISY at enrollment. For the ETPs, they will only have to report on WIOA-funded participants, whereas previously they were required to report on all students in a training program whether WIOA-funded or not.

LWDBs can elect not to adopt the new expenditure of 50% for both youth populations.

If a LWDB elects not to participate in the new expenditure, a detailed service strategy on how the area will serve the at-risk ISY population will need to be submitted no later than **Friday, October 12, 2018**. The detailed service strategy must include how the area will utilize community resources and community partners to serve the at-risk ISY population. If no response is submitted by deadline, the area will default to the new expenditure of 50% ISY and 50% OSY.

Please send all correspondences to workforce.board@tn.gov.

Sincerely,

A handwritten signature in black ink, appearing to be 'Deniece Thomas', with a long horizontal flourish extending to the right.

Deniece Thomas,
Assistant Commissioner,
Tennessee Department of Labor & Workforce Development